



HUD LEASE ADDENDUM

This Lease Addendum is a written contract between the owner and the tenant(s), assuring the tenant(s) quiet, peaceful enjoyment and exclusive possession of a specific dwelling unit and use of common facilities in return for payment of rent and reasonable protection of the property. It will be attached to the executed HUD LEASE 4350.3 MODEL LEASE FOR SUBSIDIZED PROGRAMS and is for the term of the lease. For the lease, or any renewal, to be effective it must be accompanied by a current, properly completed and signed, Form HUD Form 50059, effective the same date as the lease or renewal.

IDENTIFICATION OF PREMISES. This Lease Addendum is for the living unit identified as:

Unit Number _____

Complex Name _____

Tenant _____

Co-Tenant _____

Others who will reside in the unit

DISCRIMINATION. This apartment complex has been financed by USDA Rural Development and is subject to the non-discrimination provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, the Americans with Disability Act and the Age Discrimination Act of 1975. All discrimination complaints are to be directed to USDA Director, Office of Civil Rights, 1400 Independence Ave, S.W., Washington, DC, 20250. Complaints of Fair Housing violations may be sent directly to the Secretary of Housing and Urban Development, Washington, DC 20410.

The owner / owner's agent are forbidden by law from making a judgment as to whether individuals with a handicap or disability are capable of independent living. By the execution of this lease, the tenant is assuming the risk and responsibility of living within and upon the complex premises, with no further accommodations for a handicap or disability requested.

ILLEGAL DRUGS AND DOMESTIC VIOLENCE. It is understood that the use, attempted use, or possession, manufacture, sale, or distribution of an illegal controlled substance (as defined by Local, State, or Federal law) while in or on any part of this apartment complex or cooperative is an illegal act. It is further understood that such action is a material lease violation. Such violations (hereafter called a "drug violation") may be evidenced upon the admission to or conviction of a drug violation. It is further understood that domestic violence will not be tolerated on Rural Housing properties, and that such action is a material lease violation. All perpetrators will be evicted, while the victim and other household occupants may remain in the unit in accordance with eligibility requirements.

The owner / owner's agent may require any tenant or other adult member of the tenant household occupying the unit (or other adult or non-adult person outside the tenant household who is using the unit) who commits a drug violation or domestic violence to vacate the leased unit permanently, within timeframes set by the owner / owner's agent, and not thereafter enter upon the owner / owner's agent's premises or the tenant unit without the owner / owner's agent's prior consent as a condition for continued occupancy by members of the tenant household. The owner / owner's agent may deny consent for entry unless the person agrees to not commit a drug violation or domestic violence in the future and is either actively participating in a counseling or recovery program, complying with court orders related to a drug violation or domestic violence, or has completed a counseling or recovery program.

The owner / owner's agent may require any tenant to show evidence that any non-adult member of the tenant household occupying the unit who committed a drug violation or domestic violence, agrees to not commit a drug violation or domestic violence in the future, and to show evidence that the person is either actively seeking or receiving assistance through a counseling or recovery program, complying with court orders related to a drug violation or domestic violence, or completed a counseling or recovery program within the timeframes specified by the owner / owner's agent, as a condition for continued occupancy in the unit. Should a further drug violation or domestic violence be committed by any non-adult person occupying the unit, the owner / owner's agent may require the person to be severed from the tenancy as a condition for continued occupancy by the tenant.

If a person vacating the unit, as a result of the above policies, is one of the tenants, the person shall be severed from the tenancy and the lease shall continue among any other remaining tenants and the owner / owner's agent. The owner / owner's agent may also, at the option of the owner /

owner's agent, permit another adult member of the household to be a tenant. Should any of the above provisions governing a drug violation be found to violate any of the laws of the land, the remaining enforceable provisions shall remain in effect. The provisions set out above do not supplant any rights of tenants afforded by law.

The following statements by the tenant(s) are required in order to comply with Rural Development requirements:

I understand that I will no longer be eligible for occupancy in this complex if my income exceeds the maximum allowable adjusted income as defined periodically by USDA Rural Development for the State.

I understand that I must promptly notify the owner / agent of any extended absences and that if I do not personally reside in the unit for a period exceeding 60 consecutive days, for reasons other than health or emergency, my net monthly tenant contribution shall be raised to \$_____ per month (note rate rent) for the period of my absence exceeding 60 consecutive days I also understand that if my absence continues, that as owner / owner's agent, you may take the appropriate steps to terminate my tenancy.

I understand that my tenancy is subject to compliance with terms of all applicable assistance programs covering the unit and the project. I am aware that the submission of false information may result in the initiation of legal action by the Government. I understand and agree that my monthly contribution under this lease may be raised or lowered, based on changes in household income, failure to submit information necessary to certify income, changes in the number and age of persons living in the household and on the escalation clause in this lease

Should any Federal subsidies paid to the owner on behalf of tenants be suspended or canceled, due to a monetary or non-monetary default by the owner, the monetary payment made by the tenant to the owner (or, when applicable, the monetary payment received by the tenant from the owner) shall not change over that which would have been required had the subsidy remained in place. The terms of the lease will remain in effect until the resolution of such action.

This tenancy will continue to exist after the tenant household has personally ceased to occupy the unit, with the intent to vacate, until such time as the personal possessions have been removed, either voluntarily by the tenant, or by legal means according to state law.

I understand that every effort will be made to provide assistance so long as I remain eligible and the assistance agreement between the owner and HUD remains in effect. However, should this assistance be terminated I may arrange to terminate this lease, giving proper notice as set forth elsewhere in this lease.

[] **PREPAYMENT NOTICE**

The federal loan on this complex (was) (will be) (may be) prepaid on _____. As a condition of the Government's approval of a request to accept early payment on notes owed, the tenant household is protected, to the extent herein disclosed, against involuntary displacement (except for good cause) and against having the tenant household contribution level (rent) materially increased until _____, or until the tenant household decides to move depending on the restrictive use provision accepted by the owner. Specifically, the tenant household contribution level (rent) must be consistent with those necessary to maintain the complex for low- and moderate-income tenants. Those tenant households whose tenant household contribution level (rent) did not exceed 30 percent of their monthly adjusted income at the time the prepayment was accepted, may have their tenant household contribution level (rent) raised to the lesser of 30 percent of their monthly adjusted income or 1 percent of their gross monthly income per year. Those tenant households whose tenant household contribution level (rent) exceeded 30 percent of their monthly adjusted income at the time the prepayment was accepted, may have their tenant household contribution level (rent) raised to the lesser of the latest U.S. Consumer Price Index or 10 percent per year.

WAIVER FOR INELIGIBLE TENANT (tenants will initial as appropriate)

[] **Occupancy of Handicapped Unit by Person(s) Not Handicapped / Disabled.**

I/we acknowledge that I/we am/are occupying a designated handicapped accessible unit. I/we acknowledge that priority for such units is given to a tenant needing special physical design features. I/we acknowledge that I/we am/are permitted to occupy the unit until owner / owner's agent issues a notice that a priority applicant is on the waiting list and that I/we must move to another suitable sized vacant unit in the property. Upon receiving this notice, I/we agree to move at my own/ shared/ as agreed/ complex expense within thirty (30) calendar days to the suitable sized vacant unit within the property, if one is available. If a suitably sized unit is not available in the project within 30 days, I/we may remain in the unit with accessible features until the first available unit in the project becomes available and then must move within 30 days. I/we further understand my rental rate will change, when appropriate, to the rental rate of the unit I move to and this lease will be modified accordingly.

OBLIGATIONS OF TENANT. The tenant(s) agree(s): The tenant is permitted to have guest(s) visit the household, however, the owner / owner's agent reserves the right to request a recorded declaration of domicile or proof of domicile if it is suspected that the guest is an unauthorized household occupant. Such suspicion may arise whenever an adult person(s) is making reoccurring visits or one continuous visit of 14 days and/or nights in a 45-day period without prior notification of the owner / owner's agent. Should the tenant or person in question not provide the requested information needed to confirm other domicile, or should the facts be sufficient to evidence domicile in the complex, then the owner / owner's agent may enforce any lease covenants shown to be broken and/or require re-certification. **GUESTS MAY NOT INCLUDE BARRED PERSONS OR PREVIOUS TENANTS WHOSE LEASE WAS TERMINATED BY THE OWNER / OWNER'S AGENT.**

NOTIFICATION. Any notice required by law or otherwise will be sufficient if delivered to the tenant(s) personally or sent by mail to the premises or affixed to the door of the premises. Notice to the owner / owner's agent must be in writing and delivered to the owner / owner's agent office.

TERMINATION BY OWNER/OWNER'S AGENT In order to enforce forfeiture for nonpayment of rent, it shall not be necessary to make a demand on the same day the rent shall become due, but a demand and refusal or failure to pay at any time on the same day, or at any time on any subsequent day, shall be sufficient. The failure or omission of the owner / owner's agent to terminate this lease for any cause shall not destroy the right of the owner / owner's agent to do so later for similar or other causes.

DISCLAIMER Neither the owner / owner's agent nor any of its representatives or employees shall be liable for damage or loss from theft or from any other cause whatsoever to the property of the tenant(s), and members of the tenant(s) family, or any of the tenant(s) visitors or guests. Any party to this lease retains full right to any other means of redress available to him/her.

CHANGES IN RENTAL RATES If the change in tenant contribution is due to a change in income received by household members or the number or age of household members, or adjustments to income, the change will be effective with the next payment following the completion of the revised tenant certification. If the change in tenant contribution is due to a change in basic and market rents for the entire complex, the new tenant contribution will be effective upon a minimum of thirty (30) days written notice to the tenant(s) and approval of the new rates by Rural Development.

ABSENCE FROM UNIT The tenant(s) agree(s) to occupy the unit as a permanent residence for the duration of this lease, and that no separate subsidized rental unit will be maintained in a different location. Absences of more than one (1) week must be reported to the owner / owner's agent for security reasons. In cases of abandonment, personal property will be disposed of in accordance with State law.

DISPUTES The tenant(s) and owner / owner's agent hereby agree that any tenant grievance or appeal from owner / owner's agent's decision shall be resolved in accordance with procedures consistent with Rural Development regulations covering such procedures, a copy of which is attached to this lease.

LEGAL COSTS / ATTORNEY FEES In the event it becomes necessary to initiate legal action under this lease, if the court finds in favor of the owner, the tenant(s) agree(s) to pay all reasonable court costs and legal fees in connection with that action. The tenant(s) shall pay all reasonable attorney's fees and expenses of owner / owner's agent incurred in enforcing any of the obligations of the tenant(s) or his assigns under this Lease, or in any litigation or negotiation in which the owner / owner's agent shall, without their fault, become involved through or on account of this Lease. All payments to be made by the tenant(s) hereunder shall be made without relief from valuation or appraisal laws of this or any other state.

SMOKE DETECTORS Tampering with, removing, destroying, disconnecting, or removing the batteries from any installed smoke detector is a Class A misdemeanor under Illinois law. The tenant shall be responsible for the replacement of any required batteries in the smoke detectors in the tenant's dwelling unit. A smoke detector which does not operate after new batteries have been installed should be reported to the owner / owner's agent.

INSURANCE The owner will not carry any insurance on property owned by the tenant(s). It is strongly recommended that the tenant(s) obtain an adequate renter's insurance policy.

DISASTER In the event this unit becomes untenable due to fire or other disaster, this lease will be considered canceled effective with the date of the disaster.

ASSIGNMENT OF LEASE In the event of a change in ownership and/or owner / owner's agent of this property, this lease may be assigned to the new ownership and/or owner / owner's agent.

CHANGES IN LEASE ADDENDUM This lease addendum, together with attachments and any future amendments, approved by Rural Development, evidences the entire agreement between the owner / owner's agent and the tenant(s) and no changes shall be made except in writing. Also, this lease together with attachments and future amendments, will be completed and executed in duplicate, one copy to be retained by the owner / owner's agent and one copy to be provided the tenant(s).

THIS IS A BINDING LEGAL DOCUMENT. READ CAREFULLY BEFORE SIGNING.

Dated this _____ day of _____, _____

(Name of Complex)

Tenant

BY: _____

Co-Tenant

Attachment(s) (Check as appropriate)

- ☐ HUD Form 50059 (required)
- ☐ 7 CFR 3560.160, Tenant Grievance and Appeals Procedure (required)
- ☐ Lead Warning Statement and pamphlet (required on pre-78 family complexes)
- ☐ Rules and Regulations
- ☐ Tenant's Permission to Obtain Utility Use Records
- ☐ Move In/Move Out Inspection Checklist



Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, owners and/or managing agents must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Tenants must also receive a federally approved pamphlet on lead poisoning prevention.

Owner / Agent's Disclosure (initial)

_____ (a) Presence of lead-based paint or lead-based paint hazards (check one below):

☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

☐ Owner / Agent has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

_____ (b) Records and reports available to the owner / agent (check one below):

☐ Owner / Agent has provided the tenant with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

☐ Owner / Agent has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Tenant's Acknowledgment (initial)

_____ (c) Tenant has received copies of all information listed above.

_____ (d) Tenant has received the pamphlet *Protect Your Family From Lead in Your Home*.

Owner / Owner Agent's Acknowledgment (initial)

_____ (e) Agent has informed the tenant of the tenant's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Tenant

Date

Co-Tenant

Date

Owner / owner's agent

Date

